

Idaho Grain Market Report, December 8, 2022—NEW CROP PRICES

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Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday December 7, 2022. Barley prices in \$/Cwt. And wheat prices in \$/bu.

	Barley (Cwt.) FEED 48 lbs or better	MALTING Open Market Malting	Wheat (bu.) Milling #1 SWW	#1 HRW 11.5% Protein	#1 DNS 14% Protein	#1 HWW
Rexburg / Ririe	14.50		7.63	9.41	10.12	9.91
Idaho Falls		8.30-16.25	No Bid	No Bid	No Bid	No Bid
Blackfoot / Pocatello		11.50	No Bid	No Bid	No Bid	No Bid
Grace / Soda Springs	13.25		7.19	8.95	8.89	8.95
Burley / Rupert	No Bid		No Bid	No Bid	No Bid	No Bid
Twin Falls / Buhl Jerome / Wendell	14.25		7.02			
Meridian	12.50		7.55	8.57	8.65	
Nezperce / Craigmont	10.46		7.65	8.80	8.94	
Lewiston	10.98		7.91	9.06	9.20	
Moscow / Genesee	10.49-10.93		7.68-7.80	8.83-8.95	8.97-9.09	

Prices at Selected Terminal Markets, cash FOB

Wednesday December 7, 2022. Barley prices in \$/Cwt. And wheat prices in \$/bu.

	#2 Feed Barley 46 lbs. --	Malting Barley	#1 SWW	#1 HRW 11.5% Protein	#1 DNS 14% Protein	#1 HWW
Portland			8.60-8.80	9.69-9.89	9.82-10.02	
Ogden			7.76	9.39	9.47	9.39
Great Falls	12.91	15.83		8.64-8.74	8.62-8.77	

Market News and Trends This Week

BARLEY—Idaho cash feed barley prices were unchanged for the week ending December 7. Idaho cash malt barley prices were unchanged for the week. No net barley sales were reported by USDA FAS for 2022/2023 for the week of November 25– December 1. Net exports of 500 MT were reported to Japan or the week.

Barley and Beer Industry News—Global beer consumption is holding up despite economic challenges, with employment strong and drinkers still treating higher-priced "premium" beer as an affordable luxury, the head of Heineken said last week. Chief Executive Dolf van den Brink told Reuters the Dutch brewer had seen signs of decelerating consumption in Europe, its largest market, in September after a very strong summer. "For next year, we are deliberately being a bit conservative by forecasting a decline in volumes in Europe, not because we see declines today but because of the (economic) situation," he said. The company still sees stable or modestly higher global volumes. "It's still very resilient and we think it has to do with employment levels that even in Europe are still very strong," Van den Brink said. Consumers forced to reduce discretionary spending appeared still willing to pay a little extra for a premium beer, whose growth has proved more rapid than the overall beer market. "A nice premium beer is a luxury you can afford," he said.

Heineken launched its "EverGreen" strategic revamp early last year, centered around a cost-savings target of 2 billion euros that is designed to allow more investment for future growth. The brewer said it will go beyond that target in 2023, and then plans to find productivity improvements of 400 million euros per year, equivalent to about 2% of annual expenses. The brewer of Heineken, Tiger and Sol lagers said the revamp meant greater stress on cost control, while retaining volume growth as a key target. For example, it would push through price increases more consistently to cover rising input costs. (Reuters)

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Market News and Trends This Week—continued

WHEAT—Idaho cash wheat prices were down for the week ending Dec 7. SWS prices ranged from down \$0.54 to down \$0.20 from the previous week; HRW prices were down \$0.55 to down \$0.49; DNS prices were down \$0.31 to down \$0.27 and HWW prices were down \$0.55 to down \$0.49. USDA FAS reported net sales for 2022/2023 for the period Nov. 25– Dec 1 at 189,900 MT. Destinations were to China (65,000 MT), Iraq (50,000 MT), Mexico (34,200 MT), Italy (15,700 MT), and Haiti (7,000 MT). Exports of 257,400 MT. Destinations were the Philippines (110,000 MT), Japan (35,000 MT), Algeria (32,600 MT), Mexico (31,700 MT), and Nigeria (30,000 MT).

Wheat News—A new drought-tolerant variety of durum wheat has been created as part of an international breeding program to boost climate resilience in the food system by increasing crop diversity. Durum wheat is used to make pasta, pizza crusts, and flatbreads such as pitta and chapatis, as well as for couscous, bulgur, and pastry for desserts such as baklava. The new wheat, Jabal, which means “mountain” in Arabic, was developed by farmers and crop scientists by crossing a commercial durum wheat with a wild relative from an arid region of Syria, to create a new durum variety which can withstand drought. It’s part of the Crop Trust’s wild relatives project, which is using genetically diverse crop varieties to help develop more resilient and adaptive varieties of wheat, barley, rice, and potato that can withstand erratic and extreme weather conditions caused by the climate breakdown. While it is not yet commercially available, farmers in Morocco will be the first to start growing the new version of durum wheat, which is widely eaten in north Africa and the Middle East, in about three years. Morocco is suffering its worst drought in four decades, and grain production is down by about 70 percent due to the extremely dry conditions. Breeders and farmers in drought-affected areas planted numerous new durum wheat varieties between 2017 and 2021. Jabal stood out as it was able to flourish and produce grains while all commercial varieties of durum failed. Its distinctive black spikes also produced high yields of plump grains that made tasty bread, scientists said. “Many farmers said it was love at first sight when they saw it standing strong when all other varieties were being destroyed by drought,” said Filippo Bassi, senior scientist with the durum wheat breeding program at the International Centre for Agricultural Research in the Dry Areas (Icarda) in Lebanon. (Mother Jones)

CORN—USDA FAS reported net sales for 2022/2023 for period November 25– December 1 were 691,600 MT, increases were Mexico (333,100 MT), China (204,900 MT), Costa Rica (122,300 MT), Guatemala (32,100 MT), and Honduras (28,800 MT). Exports of 900,100 MT were primarily to China (474,900 MT), Mexico (344,200 MT), Japan (39,300 MT), Canada (24,400 MT), and Taiwan (6,300 MT).

Ethanol Corn Usage—DOE’s Energy Information Agency (EIA) reported ethanol production for the week ending December 2 averaged 1.077 million bbls/day up 5.80 percent from the previous week and down 1.19 percent from last year. Total ethanol production for the week was 7.539 million barrels. Ethanol stocks were 23.257 million bbls on December 2, up 1.4 percent from last week and up 13.6 percent from last year. An estimated 108.25 million bu of corn was used in last week’s production bringing this crop year’s cumulative corn usage for ethanol production at 1.32 billion bu. Corn used needs to average 101.843 million bu per week to meet USDA estimate of 5.275 billions bu for the crop year.

Futures Market News and Trends—Week Ending December 8, 2022

FUTURES MARKET SETTLEMENT PRICES for the Week Ending Thursday, December 8, 2022:

Commodity	Dec 2022	Week Change	March 2023	Week Change	May 2023	Week Change	July 2023	Week Change
CHI SRW	\$7.24¼	-\$0.13	\$7.46¼	-\$0.14¾	\$7.56¼	-\$0.17	\$7.60	-\$0.19¾
KC HRW	\$8.60½	-\$0.21½	\$8.44¾	-\$0.26	\$8.39¾	-\$0.25½	\$8.34½	-\$0.24½
MGE DNS	\$9.27¾	-\$0.12	\$9.09½	-\$0.11¾	\$9.07¾	-\$0.11	\$9.07	-\$0.10¼
CORN	\$6.32	-\$0.03	\$6.42½	-\$0.03¾	\$6.44¼	-\$0.03	\$6.40¾	-\$0.03½

WHEAT FUTURES—Wheat futures down under pressure from global competition. **Wheat futures prices ranged down \$0.10¼ to down \$0.26 (per bu) over the previous week.**

CORN FUTURES—Corn futures prices down under pressure from higher global supplies that offset stronger-than-expected weekly export inspections of US wheat. **Corn futures prices ranged from down \$0.03¾ to down \$0.03 (per bu) over the previous week.**

CRUDE OIL FUTURES—Oil prices fell on Thursday on the prospect of a key Canada-to-U.S. crude pipeline that shut after a leak returning to service soon, putting a hefty amount crude back into the market at the same time that global economic slowdowns raised fuel demand fears.

EIA reported U.S. crude oil refinery inputs averaged 16.6 million bbls/day during the week ending December 2, 2022 which was 53 thousand bbls/day less than last week’s average. Refineries operated at 95.5% of capacity last week. As of December 2 there was a decrease in Crude Oil stocks of 5.186 million bbls from last week to 413.898 million bbls, under the 5-year average of 453.792 million bbls. Distillate stocks increased by 6.159 million bbls to a total of 118.807 million bbls, under the 5-year average of 130.700 million bbls; while gasoline stocks increased by 5.319 million bbls to 219.087 million bbls, under the 229.363 million bbl 5-year average. The national average retail regular gasoline price was \$3.390 per gallon on December 5, 2022, down \$0.144 from last week’s price and up \$0.049 over a year ago. The national average retail diesel fuel price was \$4.967 per gallon, down \$0.174 from last week’s price and up \$1.293 from last year.

NYMEX Crude Oil Futures finished the week ending Thursday, December 8, 2022 to close at \$71.46/ bbl (January contract), down \$8.52 for the week.

U.S Drought Monitor—December 8, 2022

Northeast: No significant changes were made in the region.

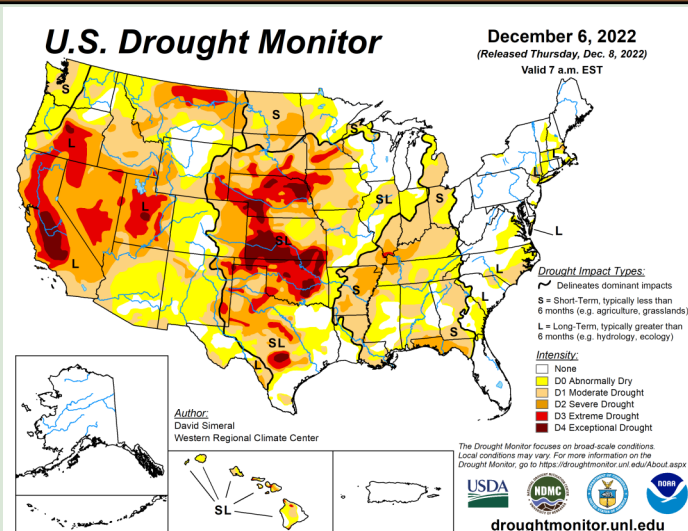
Southeast: Removal of areas of severe drought and reductions in northern portions of Alabama and Georgia.

Midwest: Improvements were made in eastern Ohio and northern Indiana. Drought expanded in southern, northern Illinois, and in west-central Minnesota.

High Plains: Improvements were made in northwestern Colorado and Wyoming. Drought expanded in western Kansas.

West: Improvements were made along the central coast of California, southern Arizona, central and eastern Nevada, Utah, and southwest Montana.

South: Improvements were made in areas of Arkansas, Mississippi, and Tennessee. Degradations were made in South Texas and the Oklahoma Panhandle.



USDA U.S. Crop Weather Highlights—December 8, 2022

West: Cool weather prevails, due to a high-pressure system parked over the Intermountain region. However, rain and snow showers are returning across the Pacific Northwest, signaling the approach of a potent storm system.

Plains: Cold air is in place across the northern half of region. Unusual warmth lingers, however, in much of Texas. Rain is falling early today on the southeastern Plains, especially in southern and eastern Oklahoma. Farther north, portions of the central Plains are bracing for wintry precipitation, expected to develop later today. Although the snow and freezing rain will benefit drought-stressed winter wheat, some travel disruptions may occur as roadways become icy.

Corn Belt: Rain is developing in the lower Ohio Valley. Cloudy weather covers the remainder of the region, while parts of the upper Midwest are bracing for the imminent arrival of wintry precipitation, mainly snow and freezing rain. Starting today, extending northeastward from eastern Nebraska and southeastern South Dakota, event-total snowfall could reach 2 to 5 inches.

South: Rain is falling across interior sections of the region, including the Ozark Plateau and the Tennessee Valley. Meanwhile, record-setting warmth continues along and near the Gulf Coast, where today's high temperatures will again generally range from 80 to 85°F. Mobile, Alabama, achieved a high temperature of 85°F on Wednesday, shattering its monthly record. With highs of 84°F, December records were tied in Shreveport, Louisiana, and Tallahassee, Florida.

Outlook for U.S.: Snowfall boosting snowpack in the West. A storm crossing the central Plains. Potential weather hazards may include blizzard conditions (heavy snow and high winds) on the northern Plains and severe thunderstorms across the South. Also air in the northern and western U.S. The NWA 6-10 day weather outlook for December 13-17 calls for the likelihood of above normal temperatures from the Mississippi River to the East Coast. Cooler temperatures from the Pacific Coast to the Plains. Above normal precipitation across most of the country

International Crop Weather Highlights—Week ending December 3, 2022

Europe: Showery but cooler weather maintained favorable moisture reserves for winter crops over most of Europe and further eased long-term drought in parts of Spain and Italy. Cold, dry conditions lingered in northeastern Europe, though winter grains and oilseeds are dormant.

Middle East: Moderate to heavy rain boosted soil moisture for winter grain establishment in western Turkey and from eastern portions of Turkey and Syria into northwestern Iran. Dry weather reduced soil moisture in central Turkey and northeastern Iran.

Asia: Seasonably dry weather throughout most of India continued to support rabi crop sowing. Cold weather eased wheat into dormancy in eastern China, while showers in the southeast continued to ease long-term drought and benefit seasonal crops. Seasonably wet weather in eastern and southern sections of the region benefited rice and other crops.

Australia: Soaking rain returned to Queensland, likely halting winter wheat harvesting and summer crop planting. Much-needed drier weather overspread the southeast, aiding winter crop drydown and harvesting. Mostly dry weather in the west maintained good to excellent yield prospects as harvesting progressed.

South America: Warm, showery weather increased moisture for summer crop germination in Buenos Aires, Argentina, but moisture remained limited in other locations. In Brazil, scattered showers benefited soybeans and other summer crops, although rainfall remained below normal in some southern production areas.

South Africa: Conditions favored development of corn and other rain-fed summer crops, following last week's rain.

Northwestern Africa: Heavy rain improved winter grain prospects in Tunisia and eastern Algeria.